

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Docket No. MC-F-20986]

Greyhound Lines, Inc.—Corporate Family Transaction Exemption— Merger of Continental Panhandle Lines, Inc., Into Texas, New Mexico & Oklahoma Coaches, Inc.

Greyhound Lines, Inc. (Greyhound),¹ a motor passenger carrier, has filed a verified notice of exemption under the Board's class exemption procedure at 49 CFR 1182.9.² The exempt transaction involves the merger of Continental Panhandle Lines, Inc. (Panhandle), into Texas, New Mexico & Oklahoma Coaches, Inc. (TNM&O), with TNM&O as the surviving entity.³

¹ The Board previously approved the merger of Greyhound into Laidlaw Transit Acquisition Corp., a wholly owned subsidiary of Laidlaw Inc. (Laidlaw), a noncarrier, under 49 U.S.C. 14303. Greyhound is now a subsidiary of Laidlaw Transportation, Inc., a noncarrier controlled by Laidlaw. See Laidlaw Inc. and Laidlaw Transit Acquisition Corp.—Merger—Greyhound Lines, Inc., STB Docket No. MC-F-20940 (STB served Dec. 17, 1998, Aug. 18 and Dec. 6, 2000).

² The Board exempted intra-corporate family transactions of motor carriers of passengers that do not result in significant operational changes, adverse changes in service levels, or a change in the competitive balance with carriers outside the corporate family in Class Exemption for Motor Passenger Intra-Corporate Family Transactions, STB Finance Docket No. 33685 (STB served Feb. 18, 2000).

³ Greyhound (MC-1515) directly controls Panhandle (MC-8742), a regional motor passenger carrier operating in Kansas, Oklahoma, and Texas, and through its wholly owned noncarrier subsidiary, GLI Holding Company, indirectly controls TNM&O (MC-61120), a regional motor passenger carrier operating in Colorado, Kansas, New Mexico, Oklahoma, and Texas.

The transaction was expected to be consummated on October 31, 2001.

The transaction is intended to simplify Greyhound's corporate structure to eliminate overlapping management functions and reduce duplicating overhead and fixed costs. The transaction will permit the integration of the operations of Panhandle and TNM&O, particularly their special and charter operations, which are a significant part of the services rendered by both companies. It will also allow for integration of Panhandle's and TNM&O's schedules, resulting in increased travel options and more dependable bus service for passengers. In addition, the transaction will improve the utilization of facilities, equipment and drivers and enhance the seamless interlining of passengers.

This is a transaction within a corporate family of the type specifically exempted from prior review and approval under 49 CFR 1182.9. Greyhound states that the transaction will not result in adverse changes in service levels, significant operational changes, or a change in the competitive balance with carriers outside the corporate family. Greyhound also states that, because it directly or indirectly holds all of the stock of Panhandle and TNM&O, no contract or agreement will be entered into, except for the corporate documentation and filings required to effect the merger. Greyhound further states that there will be no significant effect upon employees because almost all of them will be retained.

If the verified notice contains false or misleading information, the Board shall summarily revoke the exemption and require divestiture. Petitions to revoke the exemption under 49 U.S.C. 13541(d) may be filed at any time. See 49 CFR 1182.9(c).

An original and 10 copies of all pleadings, referring to STB Docket No. MC-F-

20986, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Fritz R. Kahn, 1920 N Street, N.W. (8th Floor), Washington, DC 20036-1601.

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Decided: November 2, 2001.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary